



## ANNUAL USE OF CAPITAL SURVEY - 2009

## NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Zions Bancorporation

Person to be contacted regarding this report:	H. Walter Young
CPP Funds Received:	\$1,400,000,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	11/14/2008
Date Repaid <sup>1</sup> :	

RSSD: (For Bank Holding Companies)	1027004
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
City:	Salt Lake City
State:	Utah

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

*American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.*

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	While the loan balances have decreased from \$41.99 billion in 2008 to \$40.54 billion at the end of 2009, Zions has extended \$8.8 billion of new credit since January 1, 2009.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Zions has extended \$8.8 billion of new credit since January 1, 2009 through February 2010 including \$4.8 billion in new Commercial Lending, \$2.4 billion in new Commercial Real Estate, \$1.25 billion in new Consumer Loans, and \$445 million in other lending categories.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	
<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	Since 1/1/09, Zions has taken Provisions of \$2.02 billion, resulting in an increased Allowance for Credit Loss reserve by \$910 million.

<input checked="" type="checkbox"/>	Reduce borrowings	Zions reduced Fed Funds Purchased by \$757 million, lowered FHLB borrowings less than 1 year by \$1.92 billion, and reduced an external Special Purpose Entity by \$738 million from January 1, 2009 to January 1, 2010.
<input checked="" type="checkbox"/>	Increase charge-offs	Zions experienced \$1.26 billion of charge-offs in 2009 compared with \$414 million in 2008.
<input checked="" type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	Zions has purchased assets of three banks since the reception of TARP funds: CBT acquired Vineyard Bank (\$1.6 billion in assets), NSB acquired Great Basin Bank (\$212 million in assets), and CBT acquired Alliance Bank (\$1.1 billion in assets).
<input type="checkbox"/>	Held as non-leveraged increase to total capital	

What actions were you able to avoid because of the capital infusion of CPP funds?

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

Accomplishments that Zions has been able to achieve due, in part, to the CPP capital infusion include the following:

1. With the combination of \$1.4 billion in TARP funds and \$1.35 billion equity raised by the company in 2008 and 2009, Zions has remained well-capitalized. The \$1.35 billion of new equity the company was able to raise included \$708 million in new shares of common stock, \$47 million of preferred stock, and \$595 additional capital through gains from other capital actions.
2. The Parent has been a source of strength to the affiliate banks by pushing the following amounts of net capital to affiliate banks since 2008:
  - Zions First National Bank: \$396 million
  - California Bank & Trust: \$24 million
  - Amegy Bank of Texas: \$165 million
  - Nevada State Bank: \$688 million
  - National Bank of Arizona: \$310 million
3. Zions has extended \$8.8 billion of new and renewed credit since Jan. 2009 through Feb. 2010 to the following customers:
  - \$2.9 billion to Amegy Bank of Texas customers
  - \$2.3 billion to Zions First National Bank customers
  - \$1.9 billion to California Bank & Trust customers
  - \$616 million to National Bank of Arizona customers
  - \$539 million to Vectra Bank of Colorado customers
  - \$364 million to Nevada State Bank customers
  - \$124 million to Commerce Bank of Washington customers
  - \$25 million to Commerce Bank of Oregon customers

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

Zions is one of the top originators of small business loans in the Country. Specifically, the Company provides SBA 7(a) loans to small businesses through the United States has become one of the largest providers of SBA 504 financing in the nation. Awards during 2009 include the following: (1) Distinguished Service Award: National Association of Government Guaranteed Lenders (2) 2009 Best of Salt Lake Award: U.S. Commerce Association (3) SBA's Boise District: Lender of the Year Award (4) SBA's national First Mortgage Lender of the Year Award (5) SBA's Utah District: Lender of the Year Award (6) Celent Technologies' 2009 Model Bank Award: Online Account Opening (7) U.S. Commerce Association's 2009 Best of Salt Lake City Award (8) The National Association of Development Companies: Top SBA 504 Provider (9) Best of State: Business Services — Banking (10) Best of State: Employer (11) Zions Bancorporation Named Top "Shareholder Friendly" Mid-Cap Bank in the March 2009 issue of Institutional Investor (12) 17/18 of the "2009 Greenwich Excellence Awards in Small Business and Middle Market."